



Hon Jeff Seeney MP
Deputy Premier
Minister for State Development, Infrastructure and Planning

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Brad Fish
CEO
North Queensland Bulk Ports Corporation
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Dear Mr Fish

I write to clarify the Government's position on the Multi-Cargo Facility (MCF) at Abbot Point and how we see the future planning of infrastructure progressing.

Firstly, I would like to acknowledge the considerable work done to date on the MCF and the associated T4 – T9 infrastructure. I also appreciate that this port is a very important strategic asset for the State and its successful future development will play a key role in Queensland's future economic development.

However, I believe the fundamental problem with the current MCF proposal is the magnitude of what is proposed. The significant scale, complexity and potential impacts of the proposed infrastructure are extensive and it would be many years before the whole of the planned capacity would be realistically warranted.

The associated anticipated environmental impacts of such a large proposal have led to major delays in gaining environmental approvals and there is no guarantee at this point, that the project will be approved by the existing processes.

In addition, the management of the proposal to date and the various commercial commitments required have also created issues and risks for potential proponents.

These issues, risks and uncertainties have already led to two major proponents withdrawing their interest from the MCF proposal. This undoubtedly places an even greater burden on those remaining and makes the likelihood of the MCF proposal proceeding to successful completion even more unlikely.

For all these reasons I do not believe the Government can provide any further support for the current proposal for the development of T4 – T9 and the Multi Cargo Facility at Abbott Point.

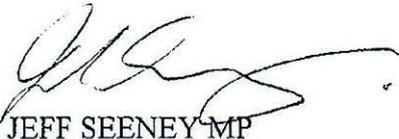
I would however suggest that the focus should be on ensuring that the T0, T2 and T3 proposals are developed and become realities and then focus on incremental expansion of the port capacity to meet any further future demand.

I would ask that you work closely with my department and the Coordinator-General to make these smaller scale developments at Abbot Point a reality in the shortest possible timeframe.

As the proponent for the Dudgeon Point coal terminal I encourage you also to progress that project through the EIS stage.

Can you also clarify as soon as possible all current commitments and financial risks associated with this and work with Queensland Treasury to mitigate these.

Yours sincerely



JEFF SEENEY MP

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Minister for State Development, Infrastructure and Planning

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